

ECONOMIC DEVELOPMENT

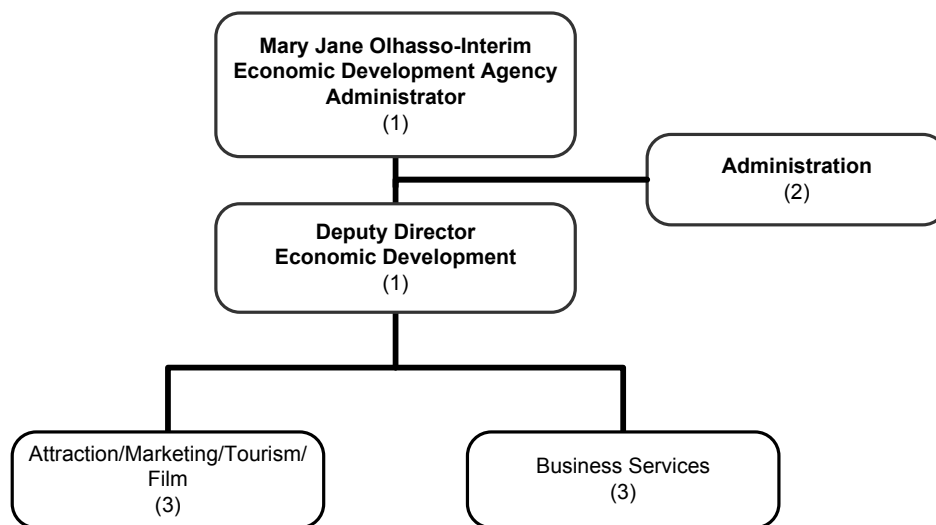
Mary Jane Olhasso

DEPARTMENT MISSION STATEMENT

The Department of Economic Development fosters sustainable economic growth opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services. The Department creates strategic partnerships with public and private entities to enhance global competitiveness and entrepreneurial development.



ORGANIZATIONAL CHART



2013-14 ACCOMPLISHMENTS

- Generated more than \$9.6 million in local sales and use tax over the last 3 fiscal years. There are currently more than 30 renewable energy or sales tax related projects in the pipeline.
- Partnered with a tourism consultant on a domestic tourism strategy for the mountain and desert areas, and included input from community stakeholders (Marketing Zone Advisory Committee representatives). For the first two quarters, 24 technical tours were completed and 1 familiarization tour was completed, hosting travel writers and tour operators.
- Facilitated the renewal of existing leases successfully and provided services to assist in expanding or relocating 361 businesses resulting in an estimated 5,520 jobs. Of these businesses, the Economic Development Agency (EDA) directly supported or provided other value-added services to 18 companies, resulting in 1,371 jobs.
- Provided Countywide economic development assistance to 75 new businesses located in San Bernardino County, which resulted in an estimated 2,589 jobs. Of these businesses, the department directly supported or provided other value-added services to 19 companies, generating an estimated 756 direct new jobs.
- Engaged local organizations for feedback on issues related to South Coast Air Quality Management District's overall economic impact on the region.
- Worked with other regions, cities, and businesses to preserve Enterprise Zones.



COUNTY GOALS AND OBJECTIVES AND DEPARTMENT PERFORMANCE MEASURES

COUNTY GOAL: CREATE, MAINTAIN AND GROW JOBS AND ECONOMIC VALUE IN THE COUNTY

- Objective(s):**
- *Focus EDA efforts on competing globally for investment, retraining and finding employment for those who have lost jobs or are under-employed, developing a more highly-educated and trained workforce, and creating an effective approach to tourism.*
 - *Continue business retention and expansion programs while implementing office and industrial attraction strategies emphasizing provision of high-paying jobs.*
 - *Utilize County programs and resources to support the local economy and maximize job creation.*

- Department Strategy:**
- *The Department invests in marketing services to generate private investment and foster job creation as well as develop strong regional and national business relationships.*
 - *The Department's attraction efforts increase awareness of Countywide programs and opportunities in order to meet the needs of clients.*
 - *The Department supports the brokerage community and County entities by providing research, demographic and site information and coordinating site tours.*
 - *The Department engages in a strategic tourism marketing program that incorporates branding and advertising to increase awareness of the County as a tourism destination.*

Measurement	2012-13 Actual	2013-14 Target	2013-14 Actual	2014-15 Target
Number of jobs resulting from County Economic Development attraction and expansion efforts.	N/A	N/A	N/A	1,500
Number of business contacts reached through County Economic Development efforts.	N/A	N/A	N/A	900
Number of assists, such as research, demographic and site information and site tours, by County Economic Development staff.	N/A	N/A	N/A	1,500
Percentage change in target market awareness of County tourism and destinations:				
Mountain Region	N/A	N/A	N/A	3%
Desert Region	N/A	N/A	N/A	5%



SUMMARY OF BUDGET UNITS

2014-15					
	Requirements	Sources	Net County Cost	Fund Balance	Net Budget
General Fund					
Economic Development	3,468,279	155,000	3,313,279		10
Total General Fund	3,468,279	155,000	3,313,279		10

5-YEAR REQUIREMENTS TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Economic Development	3,065,030	2,774,965	3,113,901	3,145,740	3,468,279
Total	3,065,030	2,774,965	3,113,901	3,145,740	3,468,279

5-YEAR SOURCES TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Economic Development	201,441	149,787	200,000	155,000	155,000
Total	201,441	149,787	200,000	155,000	155,000

5-YEAR NET COUNTY COST TREND

	2010-11	2011-12	2012-13	2013-14	2014-15
Economic Development	2,863,589	2,625,178	2,913,901	2,990,740	3,313,279
Total	2,863,589	2,625,178	2,913,901	2,990,740	3,313,279



Economic Development

DESCRIPTION OF MAJOR SERVICES

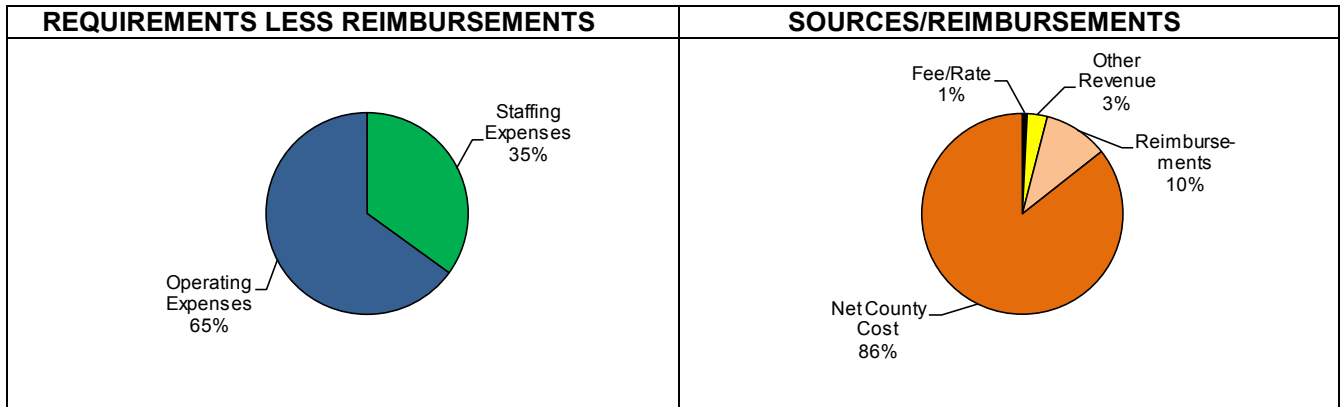
Economic Development's major goals are to foster job creation, increase private investment and enhance County revenues through the implementation of a Countywide economic development strategy. The strategy focuses on maximizing the standard of living of the County's residents, providing economic opportunities for the County's businesses, fostering a competitive environment and positioning the County as a highly competitive region for business opportunities. The strategy will emphasize industry sectors with high-growth potential and offering skilled high paying jobs.

The department spearheads initiatives having local, national and international impact by forming internal and external strategic partnerships with key public and private sector organizations including, but not limited to, the State of California, San Bernardino County cities, the County of Riverside, as well as non-profit development corporations, developers, brokers, site selectors, corporate real estate executives and tenant representatives. Outreach to private sector stakeholders is conducted via a comprehensive media/marketing campaign.

The department also creates and develops necessary support structures to foster a positive, creative and expanding business climate by offering a wide array of economic development programs and services including the following:

- Site Selection Assistance
- Market Analysis and Demographics
- Permitting Assistance
- Incentive Programs
- Small Business Assistance and Technical Support
- Technical assistance and marketing support to County cities and economic development stakeholders.

2014-15 ADOPTED BUDGET



Budget at a Glance

Requirements Less Reimbursements*	\$3,869,255
Sources/Reimbursements	\$555,976
Net County Cost	\$3,313,279
Total Staff	10
Funded by Net County Cost	86%
*Includes Contingencies	

BUDGETED STAFFING

STAFFING ANALYSIS					5-YEAR STAFFING TREND				
Authorized Positions	2012-13 Final	2013-14 Adopted	2013-14 Final	2014-15 Adopted					
Regular	13	13	13	10					
Limited Term	2	0	0	0					
Total	15	13	13	10					
Staffing Expenses	\$1,650,731	\$1,721,891	\$1,737,797	\$1,354,111					

ANALYSIS OF 2014-15 ADOPTED BUDGET

GROUP: Economic Development
DEPARTMENT: Economic Development
FUND: General

BUDGET UNIT: AAA EDF
FUNCTION: Public Assistance
ACTIVITY: Other Assistance

	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2013-14 Final Budget	2014-15 Adopted Budget	Change From 2013-14 Final Budget
Requirements							
Staffing Expenses	1,931,327	1,566,706	1,597,262	1,582,904	1,737,797	1,354,111	(383,686)
Operating Expenses	2,187,151	2,035,867	1,709,465	1,822,709	2,118,692	2,515,144	396,452
Capital Expenditures	0	0	0	0	0	0	0
Contingencies	0	0	0	0	0	0	0
Total Exp Authority	4,118,478	3,602,573	3,306,727	3,405,613	3,856,489	3,869,255	12,766
Reimbursements	(1,100,675)	(904,657)	(917,374)	(873,311)	(710,749)	(400,976)	309,773
Total Appropriation	3,017,803	2,697,916	2,389,353	2,532,302	3,145,740	3,468,279	322,539
Operating Transfers Out	0	0	0	0	0	0	0
Total Requirements	3,017,803	2,697,916	2,389,353	2,532,302	3,145,740	3,468,279	322,539
Sources							
Taxes	0	0	0	0	0	0	0
Realignment	0	0	0	0	0	0	0
State, Fed or Gov't Aid	0	0	0	0	0	0	0
Fee/Rate	31,176	33,788	37,663	35,686	30,000	30,000	0
Other Revenue	158,865	116,000	165,307	150,000	125,000	125,000	0
Total Revenue	190,041	149,788	202,970	185,687	155,000	155,000	0
Operating Transfers In	11,400	0	0	0	0	0	0
Total Sources	201,441	149,788	202,970	185,687	155,000	155,000	0
Net County Cost	2,816,362	2,548,128	2,186,383	2,346,615	2,990,740	3,313,279	322,539
Budgeted Staffing					13	10	(3)

MAJOR EXPENDITURES AND REVENUE IN 2014-15 ADOPTED BUDGET

Operating expenses of \$2.5 million include costs of various Economic Development programs (real estate related trade shows, advertising, public relations, and tourism), travel, and internal transfers out (County Counsel charges, Facilities etc.).

Reimbursements of \$400,976 represent the cost allocation to other EDA departments of Economic Development staff.

Sources of \$155,000 represent registration fees and sponsorships for the State of the County event planned for the spring of 2015.



BUDGET CHANGES AND OPERATIONAL IMPACT

Requirements of \$3.5 million are increasing by \$322,539 as a result of a one-time allocation of Net County Cost for the development of an enhanced tourism program that targets both international and domestic markets.

STAFFING CHANGES AND OPERATIONAL IMPACT

Staffing expenses of \$1.4 million fund 10 budgeted regular positions. In order to consolidate the Agency's Finance and Administrative unit, 1 Staff Analyst II position and 1 Automated Systems Analyst I position were transferred to Community Development and Housing. Additionally, reorganization within the Agency resulted in the deletion of 1 filled Assistant Administrator position. At the direction of Human Resources, as part of their review of the re-organization, 1 Executive Secretary III position was reclassified to an Executive Secretary II.

2014-15 POSITION SUMMARY

Division	Regular	Limited Term	Total	Filled	Vacant	New	Total
Economic Development Agency	3	0	3	3	0	0	3
Economic Development	7	0	7	7	0	0	7
Total	10	0	10	10	0	0	10

Economic Development Agency		Economic Development	
<u>Classification</u>		<u>Classification</u>	
1	Administrator	1	Deputy Director
1	Executive Secretary II	1	Economic Development Manager
1	Payroll Specialist	3	Economic Dev. Coordinator III
3	Total	1	ECD Technician
		1	Staff Analyst II
		7	Total

